

State of California
BOARD OF EQUALIZATION

CIGARETTE AND TOBACCO PRODUCTS TAX REGULATIONS

Regulation 4509. NON-ARM'S LENGTH TRANSFER - SALES.

Reference: Sections 22973.1, 22977.2, 22979, 22980.2, Business and Professions Code.

The Excise Taxes Division's determination that a licensee's transfer of a business with a suspended or revoked license was not at arm's length may establish grounds for an additional violation of the Act. The Investigations Division may issue a citation for a violation of Business and Professions Code section 22980.2, subdivision (c), if the business is found selling cigarettes or tobacco products without a license or after a notification of suspension or revocation of a license.

History: Adopted December 12, 2006, effective April 21, 2007.